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# The President's Daily Brief

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August 16, 1974

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**FOR THE PRESIDENT ONLY**

**THE PRESIDENT'S DAILY BRIEF**

August 16, 1974

**PRINCIPAL DEVELOPMENTS**

Turkish forces are close to achieving their military objectives on Cyprus amid strong signs that political leaders in Athens and Nicosia have begun to face the need to concede to Turkish demands for one third of the island. (Page 1)

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The growth of anti-American sentiment in Greece is assessed on Page 3.

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Soviet

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Soviet

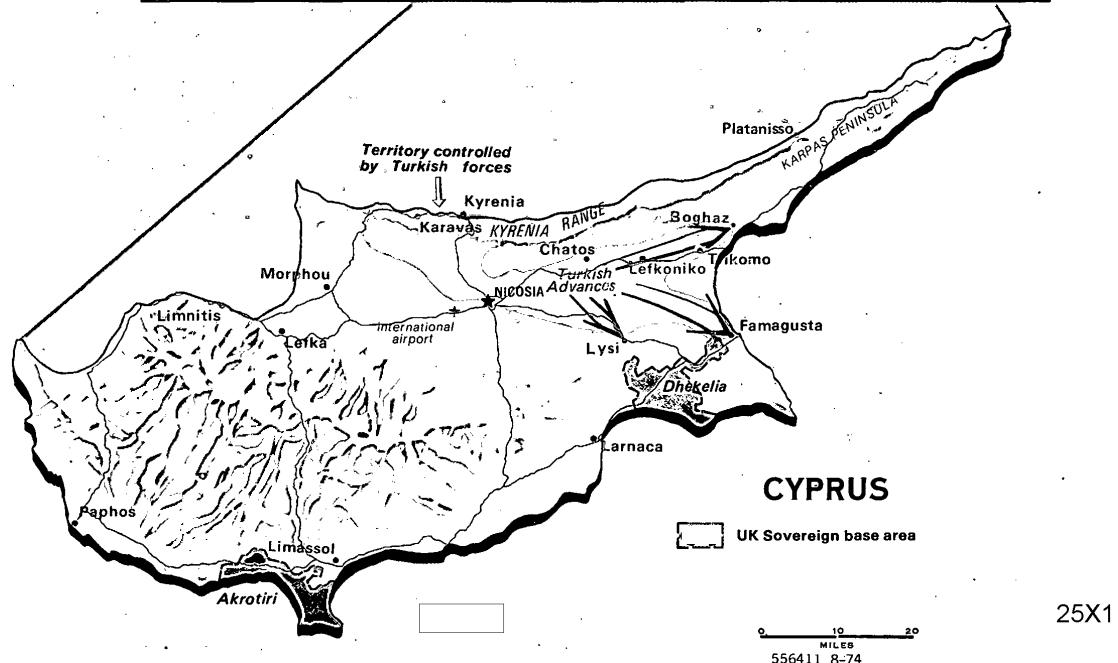
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(Page 6)

Rumors about the health of Chinese Premier Chou En-lai are making the diplomatic rounds in Peking. Chou's illness has not diminished his political influence. (Page 7)

Notes on the Iraq-Iran border problem and Panama-Cuba appear on Page 8.

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**CYPRUS**

Indications are that the Cyprus dispute can soon be transferred from the battlefield back to the conference table. Turkish forces are close to achieving their military objectives and there are strong signs that political leaders in Nicosia as well as in Athens have begun to face the realities of the situation.

In Cyprus, Greek Cypriot leader Glafkos Clerides called together leading members of the Greek Cypriot community yesterday to discuss courses of action. He told Ambassador Davies that he took the position that the harsh facts cannot be avoided and that negotiations with the Turks must be resumed. Most of the participants, according to Clerides, were sullenly silent. The embassy's impression is that the participants generally agreed to let Clerides make the decisions and assume responsibility for any adverse consequences.

The embassy believes that the Greek Cypriots will accept a cease-fire soon, but doubts that Clerides can formally agree to the Turkish fait accompli and survive.

Greek Prime Minister Karamanlis said in a public speech last night that Greece cannot oppose Turkish aggression on Cyprus with force because of the distance and the risk of weakening mainland defenses. Karamanlis asserted that he had brought the great powers face to face with their responsibilities by demanding a UN Security Council meeting and by announcing the withdrawal of Greek military forces from NATO. He claimed that "other action has been taken, and is being taken, which at the present moment cannot be disclosed."

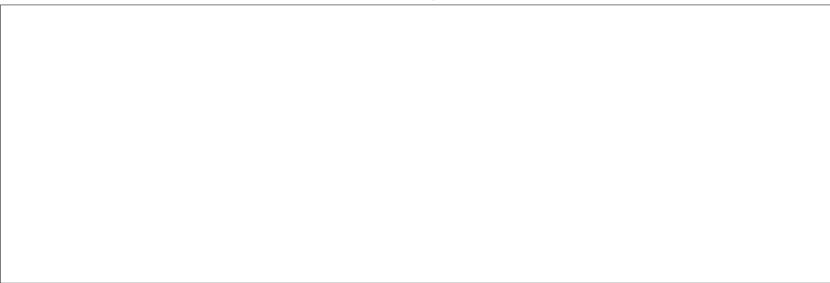
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Soviet treatment of the Cyprus situation remains cautious. The Soviet government has yet to make an official statement on the renewal of fighting. Media treatment yesterday hailed Greece's military withdrawal from NATO and claimed events

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had proven that the guarantees of Cyprus' independence are worthless. This implies support for a greater UN role giving Moscow some say in any future guarantees for Cyprus.

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**GREECE**

Anti-American sentiment in Greece has become widespread since the Turkish invasion of Cyprus, growing in direct proportion to Greek and Greek Cypriot setbacks on the battlefield and at the conference table. This feeling is reportedly shared not only by traditionally anti-American circles, but also by normally pro-American right and center-right politicians and military men. The anti-Americanism stems primarily from the Greek belief that the US abandoned Greece in its hour of need and "tilted" toward the Turks.

Many Greeks are probably convinced that the US could have deterred the Turkish invasion and even now has the power to stop the fighting and secure an equitable settlement. Another factor is the widely held belief that the military regimes which ruled Greece between 1967 and July of this year were imposed and supported by the US.

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A high-ranking Foreign Ministry official told the US ambassador that NATO facilities at Souda Bay and Namfi will have to go and that all Alliance facilities in Greece will be subject to review. Greek Foreign Minister Mavros, however, said yesterday--according to a press report--that US bases in Greece are protected by bilateral agreements, and expressed doubt that such agreements can be broken.

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On the non-governmental level, anti-Americanism has thus far been limited to newspaper editorials and one demonstration involving about a thousand students. The government-controlled radio and television networks reportedly have not joined this campaign, so it probably does not yet have official sanction.

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Anti-American feelings are likely to continue and increase in direct proportion to Greek frustration over Cyprus, unless Turkey eventually agrees

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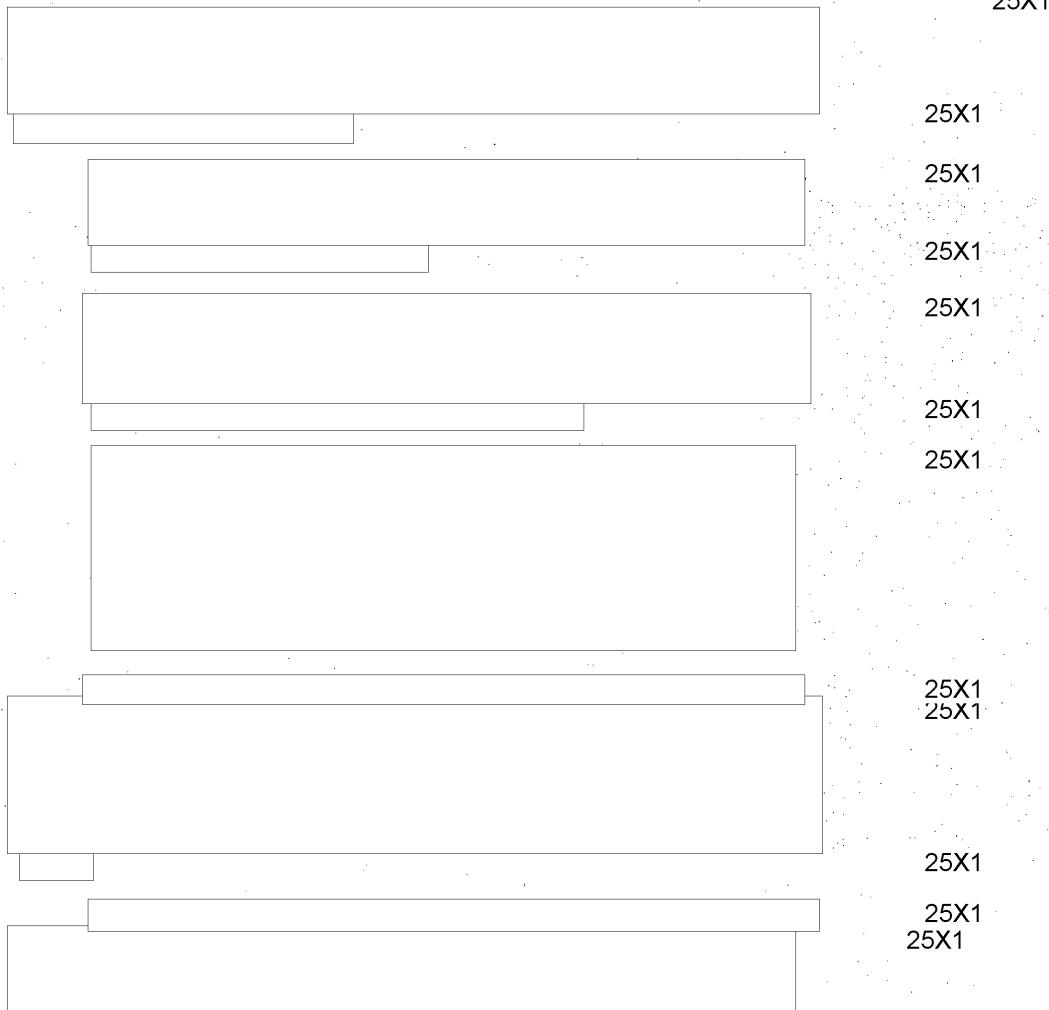
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to significant concessions attributable directly to US pressure. Even if the US fails to wrest enough concessions from Turkey to placate the Greeks, American influence and prestige could probably be at least partially restored if the US supports Athens in the ongoing controversy over exploration rights in the Aegean--a dispute which is sure to re-emerge once the Cyprus crisis eases.

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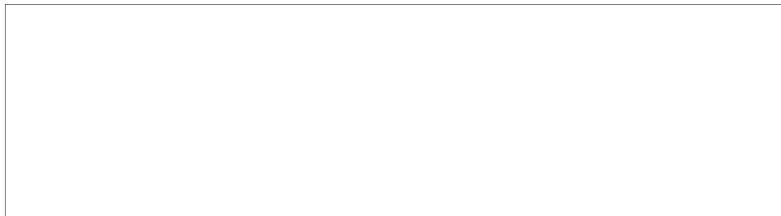
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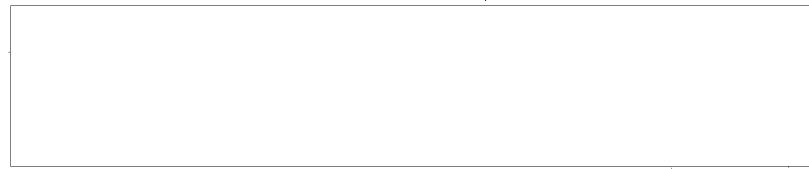
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**CHINA**

Rumors about the health of Chinese Premier Chou En-lai are making the diplomatic rounds in Peking. An earlier rumor that Chou had returned to the hospital was discredited when the Premier appeared publicly on July 31. Now the story has cropped up again.

The Premier, who was very ill last June, has cut back sharply on his public appearances, and his absences from public view are likely to spark continuing rumors that he is back in the hospital. Government officials who meet with foreign visitors have apologized for Chou's failure to meet them, explaining that the Premier is ill and under doctors' orders not to attend many meetings. Chou probably intends to meet those foreign visitors regarded by the Chinese as most important to the furtherance of their foreign policy aims.

We do not believe that Chou's political influence has diminished. A current lull we have noted in the anti-Confucius campaign in China accords with the Premier's view that the progress of the campaign should be orderly.

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**NOTES**

Iraq-Iran: Last May the UN Security Council called on the two countries to end their sometimes violent border dispute, but preliminary talks that began this week will probably make little headway.

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Panama-Cuba: The Panamanian government has decided to wait for other Latin American countries to join it in recognizing Cuba, rather than go ahead now on its own. A major factor in the decision was the failure of Panama's foreign minister to persuade the governments of Colombia and Venezuela to go along. The president of Venezuela would like to see an emergency meeting of the Permanent Council of the OAS before October to consider the Cuban issue. Meanwhile, Panama is consulting with other countries that favor dealing with Cuba within an OAS framework.

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